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BILL GATES
COUNCILMAN
DISTRICT 3

City of Phoenix
OFFICE OF THE CITY COUNCIL

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602-262-7441
Fax: 602-534-4190
TTY: 602-495-5810
council.district.3@phoenix.gov

AZ CORP COMMISSION
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Arizona Corporation Commission
DOCKETED

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DOCKETED BY

November 4, 2011

Commissioner Gary Pierce, Chairman
Commissioner Bob Stump
Commissioner Sandra Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns

Re: Arizona Public Service Company 2012 RES Implementation Plan
(Docket No. E-01345A-11-0264)

Dear Chairman Pierce and Arizona Corporation Commissioners:

I am writing you to express my support for the continuation of incentives for APS' non-residential distributed energy program. One of my main objectives is to promote economic development, including solar energy opportunities in my district and throughout Phoenix.

The Paradise Valley Unified School District (PVUSD) is on the forefront of an energy cost containment strategy. I understand that essentially all of its administrative facilities and schools will be "solarized" within the next two years. The installation of distributed resources will reduce PVUSD's energy costs significantly, now and in the future. APS' performance-based incentive (PBI) program made all of this possible.

Over the last couple of years, the City of Phoenix has installed several distributed solar projects. I believe this sustainability strategy is working well, and would like to see the incentives continue for distributed solar. Ample opportunities exist in Phoenix for the deployment of distributed solar photovoltaic, including on government buildings, schools, and commercial businesses. The City's economy is also directly benefiting as solar developers hire more employees to meet the higher demand.

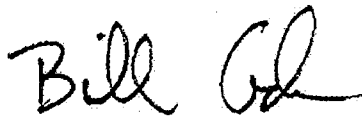
Private companies and solar organizations have submitted filings urging the Arizona Corporation Commission (ACC) to continue the PBI program for non-residential distributed projects. The PBI program is performing exactly as

designed: third party solar developers compete for incentive dollars, driving down the costs for APS ratepayers.

The interested parties also submitted different proposals for the ACC to consider regarding the continuation of the PBI program. I would urge you to adopt the PBI proposal that is large enough to ensure market predictability for solar developers, meet the demand from the non-residential market, and allow for continued price reductions for incentives.

Thank for your consideration on this important policy matter.

Sincerely,

A handwritten signature in black ink that reads "Bill Gates". The signature is written in a cursive, flowing style.

Councilman Bill Gates
Council District 3